5: Allen H-4 (no date) 1923 RH1 Caucasia RH1

[181.-417]

Machabeli, who founded a daily paper. The style of this school was for the most part romantically patriotic, and it appealed primarily to the large and impoverished aristocratic class; but of all its disciples Ilia Chavchavadze alone had a following among the people. In general, the Russian Government had little to fear from the patriotic movement of the nobles; the majority of them served faithfully, some with distinction, in the Georgian regiments which played an important part in the Caucasian Campaign of 1877–8. Finally, the incorporation, in 1884, of the hitherto distinct Georgian army in the general military organisation of the Russian Empire marked the disappearance of the last remnant of the independence of the Georgian kingdom.

With the economic development of Transcaucasia the subversive social doctrines already spreading among the workmen of European Russia reached the Caucasus, and the Tiflis administration was confronted with a movement more real and more dangerous than the sentimental romanticism of the native princes. In 1870 European capital began to exploit Baku, and in the same year operations were begun at the great manganese deposits of Chiaturi. The construction of a railway line from Poti to Tiflis had been begun in 1867, and in 1883 this line was continued to Baku. In 1884 foreign capital, chiefly that of the Rothschilds, began to build a port at Batum. During the following thirty years the industrialisation of the Caucasus proceeded. Baku became one of the greatest petroleum centres of the world; further deposits of oil were exploited at Maikop and Grozni; another railway soon linked these towns with the Black Sea, the Caspian and Baku, and Russian, Armenian and foreign companies hastened to undertake the working of the rich manganese and copper deposits and the export of the silk, cotton, timber and wine of the country.

This sudden development soon produced the most complicated problems; antagonisms social and racial were presented in an acute form. The oil-towns were the foci of these antagonisms and the scene of the more sanguinary events of 1904–6, but the conditions there reacted on, and were reproduced in a lesser degree in, Georgia. Foreign capitalism was more than usually aggressive, as it believed itself to be operating in a new country where it was in a position to exploit cheap and inexhaustible supplies of uneducated native labour; and a sudden transition from feudalism to industrialism had created a labouring class the more dangerous because it could

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exist on the subject, and in Mr. Ghambashidze's book the existence of many important deposits is only broadly indicated.

Metals.—*Manganese* is the only metal which has been adequately worked in Georgia, and the growth of this industry has, by creating a community of miners, had an important effect on the industrialisation and subsequent growth of the Socialist movement in the country.

The principal manganese deposit covers an extent of about 100 square miles along both banks of the river Kvirili, in the Government of Kutais, the centre of the mining region being at the town of Chiaturi. The mines were at first worked by a large number of small native firms who, from lack of expert knowledge and capital, employed very unscientific methods, with the result that there was much waste. Later, however, foreign firms, chiefly German, began to purchase holdings and to organise the industry, and towards the end of the last decade of the nineteenth century Georgian manganese rivalled that of Brazil and India. Great Britain was at first the principal purchaser, but Germany and other Continental countries later absorbed the bulk of the output. The industry reached the height of its prosperity in 1906, when a decrease in demand, unusually high sea-freights, and foreign competition caused a depression which lasted until 1911. In that year a revival of prosperity took place, but with the closing of the Dardanelles at the end of 1914 the industry suffered a severe blow. At the end of 1918 work at the mines had practically ceased, and heavy stocks of ore were lying at Chiaturi and Poti.

Further deposits of manganese exist at Khvartata (Batum), Saifalu (Elisavetpol), Samtredi and Novo-Senaki (Kutais).

Outcrops of *copper* occur in many parts of the Caucasus, and its mining has been in progress from the remotest times. There are three main areas which are known to contain rich deposits: (1) south of Tiflis, and east and west of the Tiflis-Kars Railway; (2) in the Chorokh Valley; and (3) in the Zangezur region.

(1) The Kedabeg group, comprising the mines of Kedabeg, Kelakent and Kara-bulag, situated north-east of Gökcha in the Government of Elisavetpol, have been worked by the American firm of Siemens Brothers, whose production of copper in 1913 amounted to 1,272 metric tons. The Allahverdi, Akhtala and Shambru mines, in the Lialvar Hills, south of Tiflis, are worked by the French Cie Métallurgique et Industrielle du Caucase, their production in 1913 amounting to 4,760 metric tons. Native firms also work mines in the Phambak Hills,

ccc As a consequence of state planning and of the lack of free enterprise, the importance of trade centers is less than it is in free economies. Old trade centers, unless backed by the industrialization policy of the regime, remain stagnant, whereas new industrial centers have spectacular success. Foreign trade was virtually non-existent during the Stalinist period.

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433 Economic dynamism, state-planning,
178 and industrialization are also characteristic of the economy of the Caucasus. [1]

Economic dynamism reveals itself for instance in agriculture. As in the whole SSSR, the area under cultivation shows an increase, and one can witness a sharp rise in the acreage under industrial crops. Similarly, the introduction and acclimatization of new crops, the redistribution of old crops, and a rise in productivity, are also characteristic features of this dynamism. In the South Caucasus the introduction of subtropical crops is especially noteworthy. Another important field of activity of this dynamism is in irrigation and drainage works. The Eastern Caucasus in general, is poor in precipitation, and agriculture only exists when based on irrigation. As a result, in the region of Aras-Kura, upper Kuma rivers, or in Dagestan one finds great and new irrigation systems. (Azerbaijan SSR: Divichi, Lenin,

[1] [For a summary statement of Soviet economy, see cat. 116, pp. 836-839 -- Analyst]

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178 Azizbek, and Ordzhonikidze Canals; Dagestan ASSR: October Revolution, and Dzerzhinskiy Canals; Groznyy Oblast: Lenin, and Alkhanchurtovskiy Canals; Stavropol' Oblast: Nevinnomysk Canal). In the West Caucasus the problem is rather that of high precipitation, so that there the trend has been towards drainage systems (in the delta of the Rion and Kuban Rivers). In addition to this, several huge reservoirs have been created (Lake Mingechaur), in connection with hydroelectric plants. Dynamism also shows itself in stock raising in the introduction of cross-breeding of various Merino, Karakul, Mutton and Mutton-dairy varieties of sheep. Yet, it shows itself even more clearly in the various industries and connected fields, as within the new mining areas (for instance around Dashkesan), new oil fields (for instance in the Neftegorsk area), a whole series of hydroelectric power plants (at Yerevan, etc.), a brand-new steel mill (Rustavi), or industrial centers (Sumgait, Kirovabad), a new center of the chemical industry (in the Armenian SSR), railroad-building (such as the Black Sea coast and the Caspian Sea coast lines), and many other items, which all prove that this dynamism is a reality.

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178 State planning also shows its effects in the Caucasian area. Everything is planned well ahead, and in Moscow; independent Caucasian economy-planning does not exist. Although

471 since the death of Stalin there are some indi-
•178 cations, for instance, in the case of the Azer-
baijan oil ministry, that the central govern-
ment will foster local rule in the future.

631 In the realm of state planning, the Cau-
178 casian administrative units represent a solu-
tion partly on economic and partly on nation-
alistic lines. The fact that nationalistic features are more emphasized in this area than elsewhere in Soviet Russia, is due to the ethnic complexity, not to say confusions of the Caucasus. In the Northern Caucasus administrative units like the Rostov, Astrakhan', Groznyy Oblasts, and the Krasnodar, Stavropol' Krays are basically economic units. Those units which are essentially ethnic, though numerous (Adyge AO, Cherkess AO, Kabardian ASSR, North Ossetian ASSR, Dagestan ASSR) are not very important, and their population forms roughly only 10 per cent of that of the whole North Caucasus. The Soviet South Caucasus on the other hand, has only ethnic units. The South Caucasus, a relatively small area, is inhabited by three different non-Russian nations (Armenian, Azeri, Georgia), each of them with the status of a Soviet Socialistic Republic. The territory of these republics was handled during the Czarist regime as a single political and economic unit. This resulted in these republics being even today more interdependent than other Soviet units of a similar grade. The stock-raising of Armenia and

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178 Azerbaijan, for instance, is handled as a whole. The stock is driven from the winter pastures of Azerbaijan (used as a cotton growing area during the summer) and spends the summer months in Armenia. In the field of industry the Baku oilfields and oil industry are connected through pipelines with the oil industry of Batumi, in Georgia. Similarly, the Rustavi steel mills of the Georgian SSR depend on the iron ore of Dashkesan which is in Azerbaijan.

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438 Industrialization in agriculture, stock-raising, and forestry follows the general Soviet patterns. The Kolkhozes and Sovkhozes are predominant, some of them covering large areas like the Gigant (in Rostov Oblast). This centralization makes it easy for the central government to introduce new industrial crops, like tea or various rubber plants, into the South Caucasus, or spread the cultivation of rice or cotton in the North Caucasus. At the same time it presents the opportunity to transform the nomadic features of eastern Caucasian stock-raising into a more sedentary one. In the field of industry proper and related fields, industrialization went ahead with great strides when compared with the 1913 status. In the Czarist period the Caucasus had an oil industry (Baku, Groznyy, Maykop), a mining industry (Chiatura, Sadon and Kedabek), some copper smelters (in Alaverdi and Kafan), and some manufacturing industries (like the food industry in western North Caucasus, the fishing industry

178 438 along the Caspian coast, the cognac and wine industry around Yerevan). Soviet industrialization has added the coal mines at Tkvarcheli and Akhaltsikhe (in Georgia), all the thermoelectric and hydroelectric plants, the iron mines at Dashkesan, the molybdenum mines at Kadzharan, and the large centers of heavy metallurgy. The most important centers of ferrous metallurgy are Rustavi, and the ferramanganese works of Zestafoni (both in the Georgian Republic). Similarly the aluminum industry of Yerevan, based on the electric power of the area, is due to Soviet industrialization efforts. Construction of machinery (in the Czarist period mostly at Taganrog and Baku) also got a new impetus. Nowadays almost every city in the Caucasus is equipped with plants producing various kinds of machinery. Armavir, Maykop, Novorossiysk, Taganrog, and especially Rostov, produce agricultural machinery. The Rossel'mash plant in Rostov is the largest one in the USSR. Automobiles are produced in new plants in Kutaisi and Rostov, aircraft in Makhachkala, Rostov, Taganrog; electric locomotives in Novocherkassk. In shipbuilding the changes during the Soviet period have been less striking. Czarist Russia already had a traditional shipbuilding industry. The chemical industry, almost nonexistent in pre-Soviet periods (except around the Lake Baskunchak), has also received a new impetus. Armenia has a whole series of

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438 chemical centers (Alaverdi, Kirovakan, Amamlu, Leninakan, Yerevan), and Yerevan and Baku are producing synthetic rubber. The textile industry and related fields, except for some silk industry and traditional nomadic rug weaving, were also almost non-existent in the Czarist period. Nowadays, one finds cotton ginning establishments along the Kura and Aras rivers and in or around the cotton growing areas of the North Caucasus (Khasavyurt, Budennovsk, Georgiyevsk, etc.). Cotton mills in Armenia, Azerbaijan, Dagestan, woolen mills along the southern and northern slopes of the Greater Caucasus, and some of the silk filatories and mills were established in recent periods. Textile and clothing mills, almost unknown during the Czarist period, have appeared in such centers as Leninakan. New industries are the large-scale leather, boot, and shoe factories, and the alunite mines at Zaglik, producing the necessary raw material for the tanning trade. Lumbering, sawmilling, woodworking and furniture plants represent also, at least in their present day form, a completely new industry in the Caucasus, as is the paper mill at Zugdidi. In the food industry the results of the Soviet industrialization policy are less striking. The North Caucasus even in the pre-Soviet period had a relatively well-developed food industry. Similarly the salt mines (Baskunchak, Nakhichevan'), producing one of the most important raw

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439 materials of the food industry, were well exploited under the earlier regime. As a whole, however, one cannot compare the present day variety in food industry with that of Czarist Russia. The giant corn kombinat of Beslan producing starches, molasses, etc. symbolizes the results of the Soviet efforts in this field. The large number of oil presses in the North Caucasus, the sugar refineries in the South Caucasus, the fruit canning centers especially along the slopes of eastern North Caucasus, and the milk industry, centered mostly around the health resorts, were founded in general during the Soviet period. The fishing industry and fish-canning along the Caspian Sea coast and along the shores of the Sea of Azov reached their present size during the recent periods. The wine industry is an old industry in the Caucasus, but the tea industry is a Soviet creation. This new industry is centered in the subtropical western and eastern corners of the South Caucasus.

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489 Of the related fields, transportation also shows the impact of the new Russian industrialization policy. On the eve of World War I, the Russian railroad system was inadequate. Of the present main lines, only the Baku-Rostov, the Novorossiysk-Tsaritsyn, and the Baku-Batum were in existence. There was also a trunk line connecting Dzhul'fa with Tiflis, and Astrakhan' with Saratov, and Stavropol' with Yekaterinodar. As against this,

178 489 the present Soviet regime has created the aforementioned Black Sea and Caspian Sea lines, the line along the Aras River, and, which is very important, a dense network of trunk lines. In navigation the changes during the Soviet period have been less important. This is due partially to the non-existence of foreign trade, to the relative unimportance of coastal shipping, and especially to the fact that in the Caucasus the rivers are unsuited for navigation (the Don and the Volga Rivers do not belong to the Caucasus, but rather mark its northern limits). Similarly, the network of primary roads is extremely skimpy. From this point of view there is no difference between the old and the new regimes. The famous military roads through the Caucasus have more historical, than practical value. According to some recent data, the building of a super-highway has started which will link the Caucasus to Moscow. Completely new is the aviation service which is of great value in a huge country such as Russia. The more important centers like Baku, Yerevan, Kirovabad, Makhachkala, Astrakhan', and Rostov have several airfields or landing grounds.

178 529 Finally, the network of the health resorts which partially existed even in the Czarist period made the Caucasus the most important center of the hotel and catering trade in the whole USSR.

during the summer holidays all that the Soviet authorities wished them to disregard. A number of Ingush party and Communist Youth League members, instead of working against the influence of religion, used themselves to go to the mosques to pray.[7]

The difficulties existing between the Soviet authorities and the Chechens and Ingush[1] were not exclusively due to the Bolshevik failure to understand the importance of the religious factor in the life of the mountaineers. There were also extraordinary difficulties of a technical nature, due to the fact that the directives of the central administration were issued in the Russian language and therefore did not reach the Chechen-Ingush masses. Being unable fully to understand the orders received, the local Soviet organs either could not carry them out, or falsified the decisions of the party and of the administration.[8]

GROZNY – THE OIL CITY

It was the tremendous dead weight of the predominantly Russian capital of Chechenia that prevented the implementation of any genuine Chechen autonomy and finally spelled the doom of the Chechen people. The actual liquidation of the Chechens would probably not have occurred had not the largest town in their homeland become an oil city, and indeed, one of the most important oil centres of the U.S.S.R.

This oil city had developed out of the little fortress of Grozny.[2] Although Grozny oilfields had been discovered as early as 1833, they were hardly exploited at all in the nineteenth century. In 1912, however, they already supplied 11·5 per cent of the entire Russian oil. Between 1913 and 1917 this figure had risen to 16·7 per cent, and in the following four years to nearly 25 per cent. By 1937 the proportion of Grozny oil to total Russian oil production had fallen to 9·25 per cent, but in terms of absolute figures this output represented an increase of 234 per cent, compared to that before the First World War. The development of Grozny as an oil centre made for an increase of the population on an 'American scale'. In 1890 the place had no more than 6,000 inhabitants, against 34,067 in 1913, 97,095 in 1926 and 172,468 in 1939. It need hardly be added that the Chechens and Ingush, peoples consisting of shepherds and peasants, could not contribute anything worth mentioning to the rise of the town which was styled, almost ironically, 'Capital of the Chechen-Ingush A.S.S.R.'. Among the oilworkers of Grozny there were probably at no time more than one-tenth of 'natives', and until 1936 there were but 9·7 per cent.

Unlike so many cities in the Soviet Union, Grozny never changed its name under the Soviet régime, despite the imperialistic history connected with it. As a matter of fact, it was the Soviet oil city of Grozny which spelled the doom of the Chechens and not the little fortress which

1 [Cf. category 116, pp. 186-188, R1 Sov. Union; 21: Kolarz – Analyst]
2 [Cf. category 116, p. 186, R1 Sov. Union; 21: Kolarz – Analyst]